



State of California  
**Employment Training Panel**

Training Proposal for:  
**MAR Engineering Company**  
Agreement Type: **Small Business**  
Agreement Number: **ET09-0321**

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **North Hollywood**

Analyst: J. Romero

**CONTRACTOR:**

- Type of Industry: Manufacturing:  
Priority Industry: ☒ Yes ☐ No
- Contractor's # of Full-Time Employees
  - California: 27
  - Worldwide: 27
  - Number to be trained: 27
- Turnover Rate: 5%
- Repeat Contractor: ☐ Yes ☒ No

**CONTRACT:**

- Training Project Profile: Priority/Retrainee
- ETP Funding Amount: \$65,286
- In Kind Contribution: \$70,500
- Average Cost per Trainee: \$2,418
- Post Retention Wage: \$14.50
- Health Benefits: \$2.00 per hour
- Occupations to be Trained: Administrative Staff, Production Staff, Managers, Supervisors
- Training Menu:
  - ☒ Business skills ☐ Literacy skills
  - ☐ Commercial skills ☐ Management skills
  - ☒ Computer skills ☒ Manufacturing skills
  - ☒ Cont. Improvement ☒ Other: Hazardous Materials
- Range of Hours: 8 - 102 Weighted Average: 93

- Multiple Job Numbers: ☐ Yes ☒ No
- County(ies) Served: Los Angeles
- Union Representation: ☐ Yes ☒ No
- Subcontractor: Pacifico Group of Tarzana will provide Administration services for an amount not to exceed 13% of payment earned.
- Third Party Services: Pacifico Group also assisted in the ETP application process for a flat fee of \$3,500.

## **INTRODUCTION**

MAR Engineering Company (MAR), located in North Hollywood, has manufactured machine tool accessories and space vehicle equipment since 1957. It produces flight control hydraulic and servo components parts for the aerospace community. Its products are made from aluminum, stainless steel, and titanium purchased from domestic material sources. The company's customers include Boeing, Lockheed, Eaton, Parker, and Northrop.

MAR has experienced a decrease in sales and its ability to make fair profit due to domestic and off-shore competition. To stay competitive, it has committed to growing its business into a high performance workplace by adapting lean manufacturing techniques and principles to current production practices. With the proposed training the company will provide its workers with skills necessary to manage new software and equipment. Training will also keep the company efficient by improving productivity and reducing operating costs.

## **RECOMMENDATION**

For the reasons set forth above, staff recommends approval of this proposal.